

Assessing the Role of Top Management Team Diversity in Facilitating Green Innovation and Firm Success

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This study examines the role of top management team (TMT) diversity in driving green product innovation and enhancing firm performance within the food and beverage industry. Drawing on dynamic capabilities and upper echelons theories, we investigate how gender, ethnic, and functional diversity among TMT members contribute to the success of green initiatives. Utilizing a panel dataset of 46 publicly traded U.S. firms and analyzing 16,152 new product launches between 2016 and 2021, we find that green innovation positively impacts firm performance. Furthermore, gender and ethnic diversity significantly moderate this relationship, highlighting the importance of diverse perspectives in shaping effective sustainability strategies. The study provides empirical evidence bridging green innovation and TMT diversity literature and offers practical recommendations for fostering inclusive leadership to strengthen sustainability efforts.

KEYWORDS: Top Management Teams, Diversity, Green Innovation

TRACK: Innovation Management & New Product Development